

Monetary Policy Report for 2011

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Basic Monetary Policy Trends

In 2011 the National Bank maintained tight monetary policy initiated in the second half of 2010 in response to rising inflation. Inflation risks remained high for most part of the period; they began to decline at the end of 2011 against the background of rehabilitation of economic growth, but at the same time there was an increase of the budget deficit, which was a determining factor in maintaining the selected policies. In order to limit the monetary component of inflation, the National Bank spent sterilization operations during the year through the sale of National Bank notes in the primary market, as well as through the sale of government securities under repo conditions. The volume of the NBKR notes in circulation amounted to 1.4 billion soms as of the end of 2011, having increased during the year by 2 times. The volume of STB sold under repo conditions amounted to 206.8 million soms as of the end of the year (70.8 million soms by the end of 2010).

Conducting tight monetary policy was accompanied by the growth rates of monetary instruments correspondingly. NBKR discount rate increased from 5.5 percent at the beginning of the year and made 13.6 percent at the end of the year. In addition, the National Bank in March 2011 increased the volume of required reserves for commercial banks from 8 to 9 percent from the calculation base and increased the base rate for crediting purposes of Special Fund for Banks Refinancing (SFRB) to 10 percent in July 2011 from 7 percent in December 2010.

During the reporting period in the domestic interbank foreign exchange market, the National Bank predominantly sold the foreign currency due to increase in demand over supply for it which was provided by an increase in the trade balance deficit. However, it should be noted that in 2011 there was an increase of foreign currency supply in the domestic market due to the significant increase in incomes from remittances: from the beginning of 2011 their volume amounted to 1.7 billion USD, which is one third higher as compared to the corresponding index of 2010. As a result, in general, in 2011 net sales of foreign currency by the NBKR amounted to 160.7 million USD (in the corresponding period of 2010 – 234.8 million USD). The USD exchange rate decreased by 1.3 percent against KGS during the reporting period – from 47.0992 to 46.4847 KGS/USD (in the corresponding period of 2010 exchange rate increased by 6.8 percent).

In 2011, according to the National Statistics Committee, consumer price index which characterizes the rate of inflation constituted 5.7 percent, whereas in 2010 the inflation rate amounted to 19.2 percent. The main factors influencing on formation of a general rise in prices in the country have become a significant deceleration in prices of basic foodstuffs (bread and cereals, fruits and vegetables, meat, sugar), as well as a moderate rate of increase in prices for industrial products and services.

Along with this, lower inflation level in main trade partners as compared to inflation in our county provided the growth of real effective exchange rate index (REER) by 1.3 percent to make 112.8 percent.

As for the money supply to the economy, in the reporting period it was increased as a result of Government expansionary fiscal policy and credit growth to the economy. On the whole, in 2011 the monetary base increased by 12.8 percent and constituted 54.8 billion soms, while the broad money M2X increased by 14.9 percent and its volume constituted 79.5 billion soms. Meanwhile, the index of economy monetization decreased by 1.4 percentage points and constituted 26.5 percent. Credits to the economy for the reporting period increased by 20.8 percent.

Generally, during 2011 there was an increase in the economic growth rates, GDP in real terms increased by 5.7 percent, while the main contribution to growth were made by processing industry (1.7 percentage points) and trade (1.1 percentage points).

As per results of the reporting period the balance of payment was formed positive in the amount of 101.7 million USD. At that, there was a decrease of the current account deficit to 2.1 percent to GDP due to a significant increase in remittances from migrant workers. The volume of gross international reserves as of the end of the year constituted 1.8 million USD that covered 3.8 months of future import of goods and services.

According to preliminary data of the Central Treasury of the Ministry of Finance, the state budget deficit for 2011 constituted 13.5 billion soms or 5.0 percent to GDP.

Dynamics of monetary indicators

As of the end of the reporting year the monetary base constituted 54.8 billion soms, having increased in 2011 by 12.8 percent or 6.2 billion soms (in 2010 the increase constituted 18.4 percent), which was due to Government stimulating policy.

At the end of the reporting period, money outside banks M0 constituted 47.2 billion soms, having increased for the reporting period by 13.9 percent ((in the corresponding period of 2010 – by 22.4 percent).

Money supply M2, including money outside banks and deposits in the national currency as of the end of 2011 constituted 62.1 billion soms, having increased by 15.6 percent (in the corresponding period of 2010 – by 23.6 percent).

The increase in domestic credit to the economy and Government stimulating policy were the main factors contributing to the growth of broad money M2X in 2011. Thus, the volume of broad money M2X, including deposits¹ in foreign currency, constituted 79.5 billion soms having increased for the end of 2011 by 14.9 percent (in the corresponding period of 2010 – by 21.1 percent). At that, the total volume of deposits included in definition of the broad money M2X increased by 16.5 percent, among them deposits in the national currency increased by 21.4 percent and deposits in foreign currency increased by 12.5 percent which testifies about maintenance of confidence to the banking system.

In the structure of broad money M2X for 2011 the share of deposits in foreign currency increased by 1.0 percentage points and constituted 18.7 percent. At that the share of deposits in the national currency decreased by 0.5 percentage points and constituted 59.4 percent and 21.9 percent correspondingly.

The velocity of circulation of broad money M2X for 2011 increased from 3.6 as of the beginning of the year to 3.8 as of the end of 2011 due to progressive rates of growth of nominal GDP over the money supply. Respectively, the economy monetization coefficient calculated according to the monetary aggregate M2X constituted 26.5 percent as of the end of the reporting period, having decreased by 1.4 percentage points from the beginning of the year.

As a result of outstripping growth rate of broad money as compared to growth rates of the monetary base, the multiplier of broad money M2X, characterizing the level of financial intermediation, increased from 1.424 as of the end of 2010 to 1.451 at the end of 2011.

¹ Excluding deposits of the Government and non-residents.

Inflation: outcomes and trends

In 2011 there was a significant decrease in price growth for basic foodstuffs (bread and cereals, fruits and vegetables, sugar), as well as a moderate growth rate in prices for industrial goods and services, which was one of the main factors that determined the price dynamics.

Annual inflation in December 2011 (to December 2010) amounted to 5.7 percent, while in 2010 – 19.2 percent. The largest contribution to growth in the consumer price index made a rise in prices for industrial goods (2.4 percentage points).

Table 1. Consumer Price Index in the Kyrgyz Republic

	December 2011 against		January-December 2011 against January-December 2010
	December 2010	November 2011	
Total goods and services	105.7	101.0	116.6
of which			
Food products and soft drinks	103.5	100.9	125.0
Alcoholic and tobacco products	109.8	101.1	111.4
Nonfoods	109.2	101.8	110.7
Services	111.1	100.2	111.6

As per results of December 2011 the prices for food products on annualized basis increased by 3.5 percent (in the corresponding period of 2010 prices on annualized basis increased by 27.0 percent). Product group “bakery products and cereals” in annual terms decreased in price for 0.5 percent, mainly influenced by lower prices in world markets on the background of a rich harvest of grain crops in producing countries. Prices for fruits and vegetables decreased by 14.9 percent.

There was a decrease in prices for sugar on the background of favorable global market conditions. The prices for this product in annual terms decreased by 8.6 percent, while in 2010 the prices increased by 22.5 percent.

There was a decrease in world prices for oilseed products on the background of good harvest of this type of product which, in turn, led to a slowdown in growth in domestic prices for oils and fats. There was a decrease of oilseed products in the domestic market due to the fall in price by 3.2 percent of oilseed crops in 2011 as compared to the corresponding index of 2010. In general, the annual growth rate of prices for “oils and fats” as per results of December 2011 constituted 5.7 percent against the increase by 37.8 percent in December 2010.

In 2011, the increase in consumer prices for dairy products on annualized basis amounted to 8.9 percent which is 3.2 percentage points lower as compared to the corresponding index of 2010. The slowdown of increase in prices for dairy products in 2011 is largely due to lower prices for imports and reduction of milk and dairy products export.

As per results of December 2011, the prices for meat products on annualized basis increased by 24.5 percent as a result of growth in export prices (in January-November 2011 average export prices for meat products rose by 40.8 percent as compared to the corresponding index of 2010). During 2011 the average monthly increase in meat prices amounted to 1.9 percent.

Prices for alcohol and tobacco products increased on annualized basis by 8.8 and 12.3 percent correspondingly.

According to the data of the NSC of the KR “Newsletter on Food Security and Poverty” in 2011, import of the economy remained high. Thus, according to preliminary data for January-December 2011, import of bakery products constituted 53.7 percent, having increased by 9.7 percentage points as compared to the corresponding index of 2010, vegetable fats – 57.1 percent (-7.0 percentage points), sugar and confectionery products – 80.8 percent (20.1 percentage points).

In accordance with the Law “On Food Security of the Kyrgyz Republic”, ensuring food security is to create conditions for the population's access to adequate amount of food in accordance with the minimum standards in food consumption, based on their availability, accessibility and security.

In 2011, the food security situation of the country has not changed significantly and still requires close attention.

In order to ensure domestic food market with basic foodstuffs and food security, the Government of the Kyrgyz Republic took the following measures:

- Loans were issued for the amount of 565.1 million soms within the framework of the project “Available loans to farmers”;
- Five thousand cubic meters of diesel fuel at a reduced price were allocated from the State Material Reserve Fund;
- 10 thousand tons of wheat were purchased by State Material Reserve Fund;
- Under grant project the Government of the People's Republic of China allocated 300 tractors.

Growth of the price index for non-food products on annualized basis constituted 9.2 percent which is by 5.0 percentage points lower as compared to the corresponding index of 2010. Thus, the prices for clothing and footwear increased by 12.9 percent. There was an increase in rates on the group “electric energy, gas and other types of fuel” on annualized basis by 2.1 percent. An increase in prices on a group of “household goods and household appliances” amounted to 11.6 percent. Cost of fuels-and-lubricants on annualized basis decreased by 1.9 percent, among them the price for gasoline decreased by 1.6 percent, diesel fuel increased by 2.4 percent. During the fourth quarter of 2011 the price for fuels-and-lubricants increased by 1.4 percent, among them gasoline rose in price by 1.5 percent and diesel fuel increased by 1.3 percent.

Index of prices for paid services in the reporting period increased by 11.1 percent on annualized basis ((in the corresponding period of 2010 – by 11.9 percent). Growth of index in this group was mainly provided by appreciation of services of restaurants and hotels by 14.8 percent, as well as transportation services (+10.8 percent) and services of recreation arrangement (+11.1 percent). With the beginning of the new school year there was increase in prices for services of education in annualized basis which constituted 16.3 percent. Health services rose by 10.0 percent.

Real Sector

According to preliminary data of 2011, the GDP volume increased in real terms by 5.7 percent, whereas in 2010 the GDP volume decreased by 0.5 percent. Excluding enterprises exploring the gold deposit “Kumtor”, the GDP volume as per result of 2011 increased by 5.6 percent (in 2010 the similar index decreased by 1.0 percent). The GDP deflator according to preliminary data for 2011 was formed at the level of 17.3 percent against 10.0 percent in 2010.

Table 2. Contribution of individual types of activity into increase/decrease of GDP
(percents)

	Ratio		Growth rate		Contribution in growth	
	2010	2011	2010	2011	2010	2011
GDP	100.0	100.0	-0.5	5.7	-0.5	5.7
Agriculture	17.5	18.0	-2.6	2.3	-0.5	0.4
Industry	20.7	20.7	10.8	12.1	1.8	2.5
Mining Industry	0.6	0.8	-3.6	24.6	0.0	0.2
Processing Industry	17.0	16.8	11.3	9.8	1.6	1.7
Electricity, gas and water generation and distribution	3.1	3.1	11.2	22.4	0.2	0.7
Construction	5.5	4.9	-18.5	-3.9	-1.2	-0.2
Services	46.1	44.9	-1.1	5.2	-0.5	2.4
Trade	16.0	16.1	-5.6	7.0	-0.9	1.1
Hotels and restaurants	1.3	1.3	-9.5	9.3	-0.1	0.1
Transportation and communication	8.6	8.2	4.2	9.8	0.4	0.8
Other	20.3	19.3	0.8	1.6	0.2	0.3
Net taxes on products	10.2	11.5	-0.5	5.7	-0.1	0.6

Sources: NSC data, NBKR adjustments

The main contributions to GDP growth in 2011 have made the industry enterprises (2.5 percentage points). Generally, industrial goods during the reporting period were made in physical terms by 11.9 percent more than in 2010, at that, as per results of 2010, growth of industrial production amounted to 9.8 percent. Excluding enterprises exploring the gold deposit “Kumtor”, the physical volume of industrial production increased by 18.8 percent as compared to last year, while in the same period of 2010 increase in this index constituted 11.7 percent.

The main production growth is accounted for the manufacturing industry, the physical volume index of which in 2011 amounted to 109.8 percent.

In the sphere of production and distribution of electric energy, gas and water, there was increase in production. As per preliminary data of 2011, output of the industry increased by 22.4 percent. Production growth in the industry is due to increased electricity production by 25.4 percent, electricity distribution services – by 25.1 percent, electricity transmission services – by 21.7 percent.

Significant contribution to GDP growth in 2011 was also made by the sphere of services (2.4 percentage points), the volume of rendered services as per results of 2011 increased by 6.8 percent as compared to the corresponding period of 2010.

In the sphere of transportation and communications, increase in the gross value added as per results of 2011 constituted 9.8 percent and was provided by increase in freight traffic (2.1 percent), passenger transportation by all types of transport (6.2 percent), as well as growth of postal and telecommunication services (11.4 percent).

According to preliminary data, in 2011 in trade, the real increase in the gross value added constituted 7.0 percent, which was largely due to low base of 2010 (in 2010 there was a decrease of 5.6 percent). There was increase in trade turnover by 6.7 percent.

The gross output of agricultural production in 2011 amounted to 147.3 billion soms, while the physical volume index was formed at the level 102.3 percent.

According to preliminary data the volume of investments in the fixed capital for 2011 decreased by 6.6 percent, while as per results of 2011 the volume of investments in fixed assets decreased by 9.8 percent. In the structure of investments in fixed assets in 2011 the largest share was accounted for transport and communications – 24.3 percent and mining industry – 24.9 percent.

In the structure of financing investment in fixed assets in 2011 domestic investments, which occupy the largest share in total investments decreased by 13.9 percent, while investments from external sources increased by 18.6 percent as compared to the same period in 2010. In 2011, domestic investments were mainly financed from the funds of enterprises and organizations, public funds and the national budget. The main objects of domestic

investments in 2011 were business partnerships and companies with foreign capital (mostly enterprises exploring the gold deposit “Kumtor”), individual housing construction, whose growth was observed, in particular, in Chui and Osh regions, Bishkek and Osh.

External Economic Sector¹

As per results of 2011, the deficit of the current account of the balance of payments decreased by 2.1 percent to GDP, whereas the corresponding index in 2010 was at the level of 8.4 percent to GDP. The decrease was due to a significant increase in the inflow of current transfers and volume of exports of services.

More dynamic growth of imports of goods in comparison with an increase in their export supplies has led to a growth trend of the trade deficit at the level of 38.8 percent. Accordingly, as per results of 2011 the trade balance deficit was formed at the level of 1 669.1 million USD.

Exports of goods (in FOB prices) for 2011 as compared with 2010 increased by 28.0 percent and its volume amounted to 2 276.6 million USD. Imports of goods (in FOB prices) for the reporting period increased by 32.4 percent and constituted 3 945.7 million USD.

Net inflow of current transfers increased by 27.1 percent and formed, according to preliminary data, at the level of 1 769.0 million USD. As before, in the structure of current transfers, considerable net inflow was provided by remittances, which, after the slowing down in 2009, began to grow. As per results of 2011, inflow of remittances² reached 1 666.7 million USD, which is 33.1 percent higher than the corresponding index of 2010.

For 2011 the positive balance of capital accounts and financial transactions was formed in the amount of 345.3 million USD, having decreased by 35.5 percent as compared with the corresponding index of 2010.

Thus, as per results of 2011 the balance of payments was formed positive in the amount of 101.7 million USD. The volume of gross international reserves at the end of the year amounted to 1 834.5 million USD, which covers 3.8 months of future imports of goods and services.

According to preliminary data, the index of nominal effective exchange rate of KGS (NEER) from the beginning of 2011 practically has not changed and as of the end of December amounted to 116.3. Invariance of NEER index during the reporting period was due to KGS strengthening³ in relation to RUB, KZT and EUR upwards NEER index was at the equilibrium level influenced by the reverse depreciation of KGS against the CNY and JPY.

Along with this, lower inflation rate⁴ in partner countries provided increase in the index of real effective exchange rate towards increase (REER), which from December 2010 increased by 1.3 percent and as of the end of December 2011 it constituted 112.8.

¹ Preliminary data.

² The volume of remittance of individuals provided by transfer systems.

³ Data is provided on nominal bilateral exchange rate of KGS; the year of 2000 is used in capacity of the base period for calculation of the index.

⁴ Inflation in the Kyrgyz Republic for 2011 constituted 5.7 percent, whereas the average inflation rate in the countries main trade partners constituted 4.3 percent according to preliminary estimations.

Public Finance Sector

According to preliminary data of the Central Treasury of the Ministry of Finance, the state budget deficit in 2011 amounted to 13.5 billion soms or 5.0 percent to GDP (in 2010 the budget was executed with a deficit of 4.9 percent to GDP). At that, excluding received official transfers, the state budget deficit constituted 22.2 billion soms or 8.1 percent to GDP. Total financing of the state budget in the reporting period amounted to 13.5 billion soms out of which: internal financing – 9.3 billion soms, external financing – 4.2 billion soms.

According to preliminary data of the Social Fund of the Kyrgyz Republic, the Social Fund's budget surplus in 2011 amounted to 0.6 billion soms or 0.2 percent to GDP, revenues – 24.2 billion soms or 8.9 percent to GDP, expenditures – 23.7 billion soms or 8.7 percent to GDP.

Consolidated budget deficit (state budget + budget of the Social Fund) for 2011 amounted to 13.0 billion soms or 4.7 percent to GDP. Revenues amounted to 91.1 billion soms or 33.4 percent to GDP, and expenditures – 104.1 billion soms or 38.1 percent to GDP.

In 2011 the state budget revenues from operating activities amounted to 77.3 billion soms or 28.3 percent to GDP. As compared to the figures for 2010 the growth rate increased and constituted 34.8¹ percent against 3.7 percent, which is generally above the established average level over the past five years.

Total expenditures of the state budget for operating activities in 2011 amounted to 82.4 billion soms, having increased by 33.8² percent or by 20.8 billion soms.

According to functional classification of the budget expenditures, during the reporting period there was increase in expenses with regard to GDP in the following groups: for education (by 1.2 percentage points), for economic issues (by 0.7 percentage points), for health care (by 0.4 percentage points), for social protection (by 0.2 percentage points) and for recreation, culture and religion (by 0.1 percentage points). State budget expenditures with regard to GDP decreased in the following categories: for defense, public order and safety (by 0.3 percentage points), housing and communal services (by 0.1 percentage points) and environmental protection (by 0.1 percentage points). Expenditures for general public services with regard to GDP remained unchanged.

According to economic classification, the largest contribution to growth of the state budget expenditures was provided by repayment of wages (12.7 percentage points) and expenses for subsidies and social benefits (5.9 percentage points).

As of the end of 2011 the national debt amounted to 143.2 billion soms (3.1³ billion USD) or 52.4 percent to GDP (in 2010 – 59.7 percent to GDP), out of which domestic debt – 12.9 billion soms, external debt – 130.3⁴ billion soms. The public debt in 2011 increased by 8.8 percent or by 11.6 billion soms as compared to the corresponding index at the end of 2010. Interest payments on the state debt servicing in 2011 amounted to 2.8 billion soms (in 2010 – 1.8 billion soms), including the share of payments on domestic debt and external debt amounted to 31.2 and 68.8 percent respectively of the total interest payments. As compared to the figures for 2010 the interest payments on external debt increased by 76.6 percent or by 0.8 billion soms, and on domestic debt – by 16.5 percent or by 0.1 billion soms.

¹ In real terms (adjusted to CPI) incomes of the state budget from operational activity increased by 15.6 percent.

² In real terms (adjusted to CPI) increased by 14.8 percent.

³ Data is calculated by NBKR (as of December 31, 2011. 1 USD = 46.4847 soms).

⁴ Data is calculated by NBKR (as of December 31, 2011. 1 USD = 46.4847 soms).

Financial Sector

Banking system

According to preliminary data, as of December 31, 2011¹, 22 commercial banks² and 254 branches of commercial banks were operating on the territory of the Kyrgyz Republic, including the Bishkek branch of National Bank of Pakistan and branches of commercial banks (22 commercial banks were working in the corresponding period of 2010).

As of the end of December 2011 the banking system received a net profit in the amount of 1 980.2 million soms (in the corresponding period of 2010 – 742.2 million soms). For 2011 the total assets of the banking system increased by 15.2 percent constituted 66.6 billion soms for the end of December.

As per results of 2011 the deposit base volume of commercial banks amounted to 38.7 billion soms, having increased from the beginning of the year by 13.5 percent. At that the increase was provided by growth of the foreign exchange component of the deposit base by 9.3 percent and by deposits in KGS by 18.2 percent.

In the reporting period, there was an increase in inflow of deposits in commercial banks. The volume of newly accepted deposits³ amounted to 203.2 billion soms, having increased in comparison with the corresponding index for 2010 by 56.9 percent. The weighted average interest rate on newly accepted deposits in the national currency amounted to 2.2 percent, having increased in annual terms by 0.2 percentage points. The interest rate on newly accepted deposits in foreign currency decreased by 0.3 percentage points and constituted 0.8 percent.

The loan portfolio volume of commercial banks as of the end of September 2011 amounted to 31.2 billion soms, having increased from the beginning of the year by 18.3 percent. At that, the share in the loan portfolio increased by 19.8 percent and amounted to 14.0 billion soms. At that the volume of credits in foreign currency for the end of 2011 amounted to 17.2 billion soms in the equivalent, having increased from the beginning of the year by 17.2 percent.

The loan portfolio of the banks by sectors at year-end divided as follows. The share of loans in the trade which occupies most of the loan portfolio decreased by 42.8 percent (by 0.1 percentage points). Also the shares of mortgage loans decreased from 10.8 to 9.6 percent, construction from 7.7 to 5.6 percent, industry – to 5.3 percent (by 0.3 percentage points). The share of “other” loans for the year increased from 11.3 to 12.9 percent, while consumer credit up to 8.8 percent (by 1.7 percentage points). In which the share of agricultural loans remained at the same level – 12.7 percent; loans in the sphere of transport, communications, procurement and processing, social services, as before, constituted a small fraction – approximately 2.2 percent.

¹ Data is provided in accordance with regulative reporting of commercial banks.

² The OJSC “AsiaUniversalBank” was excluded from the banking system structure from December 1, 2010: on the basis of the court decision on initiation of the bankruptcy procedure and termination of the conservation regime (according to the Resolution No.83/1 of the NBKR Board, dated November 1, 2010). Starting from December 24, 2010 the OJSC “Zalkar Bank” was introduced into the banking system in accordance with the Resolution No.91/1 of the NBKR Board, dated December 16, 2010.

³ Settlement accounts of banks’ clients are not considered in the volume of newly accepted deposits.

The volume of newly issued credits in foreign currency in 2011 constituted 31.9 billion soms, which is 39.8 percent higher than the amount issued in the same period in 2010. Credits in national currency increased by 26.9 percent and in foreign currency by – 54.0 percent. The weighted average interest rate on newly issued credits in national currency increased by 0.1 percentage points as compared with corresponding index of 2010 and constituted 23.8 percent. In foreign currency the weighted average rate decreased by 0.2 percentage points and amounted to 19.6 percent.

In connection with a decrease of the annual rate of inflation, the real value of the interest rate on credits in national currency amounted to 17.1 percent (in 2010 – 3.8 percent).

***Non-banking financial credit institutions licensed by
the National Bank of the Kyrgyz Republic***

As of the end of reporting period the system of non-banking financial credit institutions¹ (NFCI) of the Kyrgyz Republic constituted 931, among them: Financial Company for Support and Development of Credit Unions (FCSDCU) – 1, Credit Unions (CU) – 197, Micro Credit Companies (MCC) – 340, Micro Credit Agencies (MCA) – 110, Micro-Finance Companies (MFC) – 4, Exchange Offices – 279 (in the corresponding period of 2010 the number of NFCI constituted 906).

Credit portfolio² of non-banking financial credit institutions for 2011 increased by 41.8 percent and amounted to 15 730.4 million soms.

Table 3. Credit portfolio of non-banking financial credit institutions* (million KGS)

Name of NFCI	31.12.2010	31.12.2011
FCSDCU	461.1	434.8
SFBR**	1 028.1	-
MFO (MFC, MCC/MCA)	6 126.3	14 498.7
Credit Unions	1 139.7	1 231.7
Pawn offices	-	-
TOTAL	11 088.0	15 730.4

* Data is provided without regard to the FCSDCU and the SFBR (as credits of the FCSDCU are issued to credit unions, whereas credits of the SFBR are issued to commercial banks).

** The NBKR Board by its Resolution No.33/1 as of June 9, 2011 decided to liquidate SFRB since August 1, 2011; in accordance with the Resolution of the NBKR Board No.40/5, dated July 27, 2011, the license of SFRB was revoked.

At the end of 2011 the average interest rate on FCSDCU loans was 15.8 percent, MFO loans – 38.3 percent and Credit Unions – 29.0 percent

The total volume of deposit base in credit unions at the end of reporting year amounted to 35.5 million soms, having increased by 1.4 percent.

¹ Excluding of pawn offices as their licensing was suspended from September 8, 2009.

² MFI reports are presented on semi-annual basis.